Rising Input Prices Raised Variable Cash Costs

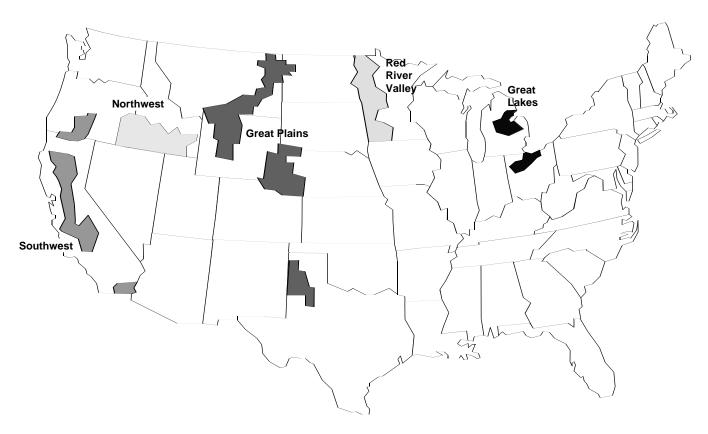
U.S. farmers planted beets on about 1.37 million acres and produced 26.57 million tons in 1996, 5.3 percent below the 1995 harvest. The largest decline in beet area was in Ohio, where planted acres fell 73 percent from 1995 levels to 4,400 acres in 1996. A 20- to 30-percent decline in beet area was reported in Michigan, Nebraska, California, and Texas. Planted acres increased the most in North Dakota, followed by Minnesota and Colorado. North Dakota and Minnesota growers planted beets on 667,600 acres, up 43,600 from 1995 and accounting for nearly half the total U.S. beet area.

The overall 1996 prices paid index for farm production inputs rose an average 5.5 percent from 1995. However, price increases varied among individual inputs. The greatest was for fuel, 11.7 percent, followed by labor, 6.3 percent. Prices for fertilizers and chemicals rose about 3 percent from 1995. Rising input prices led to a 2.3-percent rise in total variable cash costs. In sugar beet production, hired labor, chemicals, and fertilizers were the major cash expens-

es, accounting for about 60 percent of the total variable costs. In 1996, expenses for these major inputs rose an average 3.5 percent from 1995. Regionally, hired labor expenses averaged 20-30 percent of total variable costs. The region most affected by rising wage rates was the Northwest, where the per acre wage bill increased 8.7 percent.

In 1996, U.S. beet yields per planted acre were very similar to those of 1995. However, the influence of weather varied among the beet-producing regions. Yields were slightly higher than in 1995 in all regions except the Great Lakes, where cool summer weather conditions slowed beet development. In the Great Lakes region, beet yields averaged 12.9 tons per planted acre, down 16.6 percent from 1995. On a per ton basis, variable cash costs averaged \$22.26, up 2.5 percent from 1995. Per ton variable costs increased in all regions except the Southwest, where they fell 2.6 percent from 1995. Per ton variable costs increased the most (20.6 percent) in the Great Lakes, primarily due to poor yields.

Figure 8-9 **Sugar beet production regions**



Notes: Shading and patterns indicate production regions where producers were surveyed in 1992 about production practices and costs of production.

Table 8-9A—Sugar beet production cash costs and returns, 1995-961

Telemano	nwest	South	nwest	North		Gre Plai		Red F Val		Gre Lak	ited ates		
Gross value of production: Beets 748.52 746.61 527.68 439.68 685.85 698.52 674.09 692.29 993.93 1,017.37 1,191.00 Beet tops 0.75 0.71 0.00 0.00 0.00 0.00 2.80 2.82 0.04 0.04 2.77 Total, gross value of production 749.27 747.32 527.68 439.68 685.85 698.52 676.89 695.11 993.97 1,017.41 1,193.83 Cash expenses: Seed 39.58 41.72 23.48 24.23 41.15 42.91 43.42 45.61 42.97 44.53 44.64 Fertilizer 70.06 70.89 67.14 70.86 39.90 41.68 88.02 90.51 121.00 125.82 101.69 Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.14 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.66 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.75 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) 6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.76 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.56 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	1996												Item
Beets Pet tops 748.52 (146.61) 527.68 (174.00) 439.68 (174.00) 698.52 (174.00) 692.29 (174.00) 993.93 (177.37) 1,191.06 (174.00) 2.77 (174.00) 0.00 (174.00)		Dollars per planted acre											
Beet tops 0.75 0.71 0.00 0.00 0.00 0.00 2.80 2.82 0.04 0.04 2.77 Total, gross value of production 749.27 747.32 527.68 439.68 685.85 698.52 676.89 695.11 993.97 1,017.41 1,193.83 Cash expenses: Seed 39.58 41.72 23.48 24.23 41.15 42.91 43.42 45.61 42.97 44.53 44.64 Fertilizer 70.06 70.89 67.14 70.86 39.90 41.68 88.02 90.51 121.00 125.82 101.68 Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.12 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 <td></td> <td>Gross value of production:</td>													Gross value of production:
Cash expenses: Seed 39.58 41.72 23.48 24.23 41.15 42.91 43.42 45.61 42.97 44.53 44.64 Fertilizer 70.06 70.89 67.14 70.86 39.90 41.68 88.02 90.51 121.00 125.82 101.69 Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.1 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.60	1,246.62	1,191.06	1,017.37	993.93	692.29	674.09	698.52	685.85	439.68	527.68	746.61	748.52	Beets
Cash expenses: Seed 39.58 41.72 23.48 24.23 41.15 42.91 43.42 45.61 42.97 44.53 44.64 Fertilizer 70.06 70.89 67.14 70.86 39.90 41.68 88.02 90.51 121.00 125.82 101.65 Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.14 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.65 Hauling allowance (-) 6.87 6.87 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.76 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.55 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	2.97	2.77	0.04	0.04	2.82	2.80	0.00	0.00	0.00	0.00	0.71	0.75	Beet tops
Seed 39.58 41.72 23.48 24.23 41.15 42.91 43.42 45.61 42.97 44.53 44.64 Fertilizer 70.06 70.89 67.14 70.86 39.90 41.68 88.02 90.51 121.00 125.82 101.66 Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.14 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.60 177.78	1,249.59	1,193.83	1,017.41	993.97	695.11	676.89	698.52	685.85	439.68	527.68	747.32	749.27	Total, gross value of production
Fertilizer 70.06 70.89 67.14 70.86 39.90 41.68 88.02 90.51 121.00 125.82 101.69 Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.14 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 91.0 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.66 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.56 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production													Cash expenses:
Chemicals 71.21 73.91 58.77 60.63 68.13 71.12 74.75 77.24 79.62 82.75 86.14 Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.5	46.73	44.64	44.53	42.97	45.61	43.42	42.91	41.15	24.23	23.48	41.72	39.58	Seed
Custom operations 40.15 34.71 30.97 24.37 24.12 24.34 23.38 22.64 36.59 36.55 188.03 Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.68 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.18 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47<	107.98	101.69	125.82	121.00	90.51	88.02	41.68	39.90	70.86	67.14	70.89	70.06	Fertilizer
Fuel and lubrication 39.05 41.64 21.24 22.77 17.85 21.87 49.03 53.53 93.50 95.71 60.65 Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	89.32	86.14	82.75	79.62	77.24	74.75	71.12	68.13	60.63	58.77	73.91	71.21	Chemicals
Repairs 38.72 38.45 27.61 24.29 28.93 29.37 51.98 52.52 58.07 58.52 44.72 Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	166.70	188.03	36.55	36.59	22.64	23.38	24.34	24.12	24.37	30.97	34.71	40.15	Custom operations
Hired labor 99.67 104.52 58.03 61.91 69.33 77.02 103.76 103.60 177.78 193.22 182.25 Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	65.27	60.65	95.71	93.50	53.53	49.03	21.87	17.85	22.77	21.24	41.64	39.05	Fuel and lubrication
Purchased irrigation water 9.10 9.07 0.00 0.00 0.04 0.04 12.21 13.47 28.59 30.18 30.66 Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	45.61	44.72	58.52	58.07	52.52	51.98	29.37	28.93	24.29	27.61	38.45	38.72	Repairs
Freight and dirt hauling charges 13.40 16.01 6.22 6.29 9.55 11.93 15.42 18.11 11.80 14.11 45.33 Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	187.06	182.25	193.22	177.78	103.60	103.76	77.02	69.33	61.91	58.03	104.52	99.67	Hired labor
Miscellaneous 11.53 12.83 4.45 4.16 14.47 16.54 5.47 6.15 5.34 5.62 33.68 Hauling allowance (-) -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 <t< td=""><td>32.35</td><td>30.66</td><td>30.18</td><td>28.59</td><td>13.47</td><td>12.21</td><td>0.04</td><td>0.04</td><td>0.00</td><td>0.00</td><td>9.07</td><td>9.10</td><td>Purchased irrigation water</td></t<>	32.35	30.66	30.18	28.59	13.47	12.21	0.04	0.04	0.00	0.00	9.07	9.10	Purchased irrigation water
Hauling allowance (-) Total, variable cash expenses -6.87 -8.57 -2.28 -2.31 -9.14 -11.39 -1.88 -1.89 -1.24 -1.48 -24.78 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	64.52	45.33	14.11	11.80	18.11	15.42	11.93	9.55	6.29	6.22	16.01	13.40	Freight and dirt hauling charges
Total, variable cash expenses 425.60 435.18 295.63 297.20 304.33 325.43 465.56 481.49 654.02 685.53 793.01 General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	37.42	33.68	5.62	5.34	6.15	5.47	16.54	14.47	4.16	4.45	12.83	11.53	Miscellaneous
General farm overhead 38.82 26.30 39.68 27.76 30.43 20.78 44.44 31.37 47.23 32.36 54.00 Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 131.92 98.39 151.90 118.01 115.62 86.70 141.98 107.84 136.84 101.74 152.02 Total, cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	-35.27	-24.78	-1.48	-1.24	-1.89	-1.88	-11.39	-9.14	-2.31	-2.28	-8.57	-6.87	Hauling allowance (-)
Taxes and insurance 43.40 36.14 59.37 51.47 39.36 32.92 40.57 34.34 38.40 32.39 52.58 Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 131.92 98.39 151.90 118.01 115.62 86.70 141.98 107.84 136.84 101.74 152.02 Total, cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	807.69	793.01	685.53	654.02	481.49	465.56	325.43	304.33	297.20	295.63	435.18	425.60	Total, variable cash expenses
Interest 49.70 35.95 52.85 38.78 45.83 33.00 56.97 42.13 51.21 36.99 45.44 Total, fixed cash expenses 131.92 98.39 151.90 118.01 115.62 86.70 141.98 107.84 136.84 101.74 152.02 Total, cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	36.99	54.00	32.36	47.23	31.37	44.44	20.78	30.43	27.76	39.68	26.30	38.82	General farm overhead
Total, fixed cash expenses 131.92 98.39 151.90 118.01 115.62 86.70 141.98 107.84 136.84 101.74 152.02 Total, cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	47.19	52.58	32.39	38.40	34.34	40.57	32.92	39.36	51.47	59.37	36.14	43.40	Taxes and insurance
Total, cash expenses 557.52 533.57 447.53 415.21 419.95 412.13 607.54 589.33 790.86 787.27 945.03 Gross value of production	32.83	45.44	36.99	51.21	42.13	56.97	33.00	45.83	38.78	52.85	35.95	49.70	Interest
Gross value of production	117.01	152.02	101.74	136.84	107.84	141.98	86.70	115.62	118.01	151.90	98.39	131.92	Total, fixed cash expenses
·	924.70	945.03	787.27	790.86	589.33	607.54	412.13	419.95	415.21	447.53	533.57	557.52	Total, cash expenses
less cash expenses 101.75, 213.75, 80.15, 24.47, 265.00, 286.30, 60.35, 105.79, 203.14, 220.14, 249.90													Gross value of production
151.70 213.70 00.10 24.47 200.50 200.55 05.50 103.70 203.11 230.14 240.00	324.89	248.80	230.14	203.11	105.78	69.35	286.39	265.90	24.47	80.15	213.75	191.75	less cash expenses
		39.40 30.23		-	-	-							

Table 8-9B—Sugar beet production economic costs and returns, 1995-96¹

	_	nited ates	Great Lakes		Red River Valley		Great Plains		Northwest		Southwest	
Item	1995	1996	1995	1996	1995	1996	1995	1996	1995	1996	1995	1996
	Dollars per planted acre											
Gross value of production:												
Beets	748.52	746.61	527.68	439.68	685.85	698.52	674.09	692.29	993.93	1,017.37	1,191.06	1,246.62
Beet tops	0.75	0.71	0.00	0.00	0.00	0.00	2.80	2.82	0.04	0.04	2.77	2.97
Total, gross value of production	749.27	747.32	527.68	439.68	685.85	698.52	676.89	695.11	993.97	1,017.41	1,193.83	1,249.59
Economic (full ownership) costs:												
Variable cash expenses	425.60	435.18	295.63	297.20	304.33	325.43	465.56	481.49	654.02	685.53	793.01	807.69
General farm overhead	38.82	26.30	39.68	27.76	30.43	20.78	44.44	31.37	47.23	32.36	54.00	36.99
Taxes and insurance	43.40	36.14	59.37	51.47	39.36	32.92	40.57	34.34	38.40	32.39	52.58	47.19
Capital replacement	51.36	51.14	35.93	31.68	38.00	38.58	68.64	69.18	83.27	83.9	51.73	52.76
Operating capital	11.90	11.08	8.26	7.56	8.51	8.28	13.01	12.25	18.28	17.45	22.16	20.56
Nonland capital	27.47	25.75	25.08	21.1	19.60	18.86	38.12	36.97	38.82	37.07	28.54	27.59
Land	128.22	132.30	96.98	93.37	126.35	131.89	104.22	109.94	171.85	169.94	167.58	183.37
Coop share	25.94	26.24	0.00	0.00	59.31	53.94	0.00	0.00	0.00	0.00	0.00	0.00
Unpaid labor	45.15	48.15	57.22	61.46	33.25	36.95	72.12	76.24	43.96	47.56	28.19	28.93
Total, economic												
(full ownership) costs	797.86	792.28	618.15	591.60	659.14	667.63	846.68	851.78	1,095.83	1,106.20	1,197.79	1,205.08
Residual returns to												
management and risk	-48.59	-44.96	-90.47	-151.92	26.71	30.89	-169.79	-156.67	-101.86	-88.79	-3.96	44.51
Season-average price (dollars/ton)	38.19	38.19	34.11	34.11	38.38	38.38	37.14	37.14	40.42	40.42	39.40	39.40
Yield (net tons/planted acre) ²	19.60	19.55	15.47	12.89	17.87	18.20	18.15	18.64	24.59	25.17	30.23	31.64

Note: Sugar beet regions defined as Great Lakes (Michigan, Ohio), Red River Valley (Minnesota, eastern North Dakota), Great Plains (western North Dakota, Montana, Wyoming, Nebraska, Colorado, Texas), Northwest (Idaho, Oregon, except Klamath County), and Southwest (California, Klamath County, OR).

11995 estimates are revised.1996 estimates are preliminary. Sugar beet prices are held at the 1995 level because State-level prices for the

¹⁹⁹⁵ estimates are revised.1996 estimates are preliminary. Sugar beet prices are held at the 1995 level because State-level prices for the 1996 season will not be available before January 1998.

²Yields are those reported in USDA's 1992 Farm Costs and Returns Survey of sugar beet growers adjusted for year-over-year changes as reported by NASS/USDA in *Crop Production*, 1996 Summary, January 1997.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 8-9C—Beet sugar processing costs per net ton of sugar beets by cost item and area, 1995-961

	United	States	Ea	ast	West				
Item	1995	1996	1995	1996	1995	1996			
	Dollars per net ton								
Variable cash expenses:									
Beet acquisition	3.63	3.66	3.13	3.13	4.19	4.25			
Processing	9.24	10.07	10.09	10.82	8.29	9.23			
Labor	3.28	3.31	3.20	3.09	3.38	3.54			
Fuel	3.55	4.35	3.66	4.49	3.42	4.19			
Chemicals	0.75	0.75	0.83	0.83	0.66	0.66			
Electricity	0.66	0.64	1.01	0.99	0.27	0.25			
Materials and supplies	1.00	1.02	1.38	1.42	0.56	0.58			
Repairs and maintenance	3.17	3.12	3.90	3.79	2.35	2.38			
Labor benefits	2.12	2.13	2.17	2.10	2.07	2.17			
Marketing	9.27	9.50	9.03	9.22	9.53	9.81			
Total, variable cash expenses	27.42	28.48	28.31	29.06	26.43	27.83			
Fixed expenses:									
Depreciation	1.68	1.59	2.29	2.17	1.00	0.95			
Taxes and insurance	0.35	0.34	0.40	0.38	0.30	0.30			
Interest	1.38	1.25	1.04	0.94	1.75	1.60			
Total, fixed cash expenses	3.41	3.19	3.72	3.50	3.06	2.84			
General and administrative	1.43	1.46	1.09	1.08	1.81	1.87			
Labor	0.61	0.61	0.63	0.61	0.58	0.61			
Nonlabor	0.82	0.85	0.46	0.47	1.23	1.26			
Pulp drying and marketing	3.28	3.38	3.54	3.76	3.00	2.96			
Total, processing costs	35.54	36.50	36.66	37.40	34.30	35.50			
Credits:									
Dried pulp	5.57	5.47	6.62	6.68	4.39	4.12			
Molasses	1.77	1.82	2.11	2.22	1.40	1.37			
Other	0.45	0.43	0.53	0.52	0.36	0.33			
Total, credits	7.79	7.72	9.26	9.42	6.15	5.82			

Table 8-9D—Beet sugar processing costs per pound of refined sugar by cost item and area, 1995-961

	United	States	Ea	st	West				
Item	1995	1996	1995	1996	1995	1996			
		Cents per pound of refined sugar							
Variable cash expenses:									
Beet acquisition	1.243	1.253	1.107	1.109	1.385	1.403			
Processing	3.164	3.447	3.572	3.832	2.739	3.047			
Labor	1.124	1.132	1.132	1.096	1.116	1.170			
Fuel	1.215	1.489	1.297	1.590	1.129	1.384			
Chemicals	0.258	0.257	0.295	0.294	0.220	0.219			
Electricity	0.226	0.220	0.359	0.351	0.088	0.083			
Materials and supplies	0.341	0.350	0.489	0.502	0.186	0.191			
Repairs and maintenance	1.084	1.068	1.380	1.341	0.776	0.785			
Labor benefits	0.726	0.730	0.768	0.743	0.683	0.715			
Marketing	3.173	3.252	3.198	3.265	3.147	3.240			
Total, variable cash expenses	9.390	9.751	10.025	10.290	8.730	9.190			
Fixed expenses:									
Depreciation	0.576	0.546	0.811	0.769	0.331	0.314			
Taxes and insurance	0.120	0.117	0.140	0.136	0.099	0.098			
Interest	0.471	0.429	0.367	0.334	0.579	0.527			
Total, fixed cash expenses	1.167	1.092	1.319	1.239	1.010	0.939			
General and administrative	0.489	0.498	0.386	0.383	0.597	0.618			
Labor	0.208	0.209	0.224	0.217	0.192	0.201			
Nonlabor	0.281	0.290	0.162	0.167	0.405	0.417			
Pulp drying and marketing	1.124	1.157	1.252	1.331	0.991	0.977			
Total, processing costs	12.170	12.498	12.981	13.243	11.327	11.724			
Credits:									
Dried pulp	1.907	1.872	2.345	2.364	1.451	1.360			
Molasses	0.607	0.623	0.746	0.787	0.462	0.453			
Other	0.155	0.148	0.189	0.185	0.119	0.109			
Total, credits	2.669	2.643	3.280	3.336	2.032	1.922			
Recovery per net ton of beets (lbs)	292.000	309.200	282.400	311.000	302.800	307.200			

¹Eastern region is Red River Valley and Michigan/Ohio; Western region is all others. Source: Economic Research Service, U.S. Department of Agriculture.